

EXHIBIT D

Case: 4:13-cv-00838-RV Doc. #: 3-1 Filed: 05/07/13 Page 406 of 438 PageID #: 874

LOA 12-05

AmericanAirlines®

January 1, 2013

Keith Wilson
President
Allied Pilots Association
14600 Trinity Blvd., Suite 500
Ft. Worth, TX 76155-2512

Subject: Letter Agreement Re: STL and Other Base Closings

Dear President Wilson:

Pursuant to the order of the United States Bankruptcy Court for the Southern District of New York, dated September 5, 2012, the Company has terminated Supplement CC, but continues to apply certain terms of Supplement CC as non-contractual employment conditions for former TWA Pilots. This letter confirms our agreement concerning the termination of Supplement CC, the planned closure of the STL base, interest arbitration related to that action, and the schedule of any other base closures.

Supplement CC established seniority placement on the Pilots' System Seniority List for TWA pilots, as defined under Section I.D of Supplement CC, and certain preferential flying rights to specific aircraft based at STL associated with those seniority placements. The Company and APA agree that the TWA Pilots' existing seniority placements on the Pilots' System Seniority List are final and shall continue pursuant to Section 13 of the CBA notwithstanding the termination of Supplement CC and any preferential flying rights associated with those seniority placements. The Company and APA agree that a dispute resolution procedure is necessary to determine what alternative contractual rights should be provided to TWA Pilots as a result of the loss of flying opportunities due to termination of Supplement CC and the closing of the STL base.

The Company will have the right, in its sole discretion, to decide whether to close the existing STL pilot base, and such closure and consequences thereof shall not constitute a breach of the CBA. In preparation for closure of the STL pilot base, the Company and APA will engage in final and binding interest arbitration pursuant to Section 7 of the RLA to establish certain terms of the CBA as a substitute for the loss of Supplement CC preferential flying opportunities in order to resolve all issues related to the impact on TWA Pilots of termination of Supplement CC. The interest arbitration will commence within 30 days of the effective date of this agreement and the hearing shall be completed and a final award issued within 90 days of commencement. Within 30 days of issuance of the final award, the Company and APA shall submit to the Board contract language implementing the award and the Board shall within 15 days thereafter issue final approval of such contract language. The Company shall defer closure of the STL base until issuance of a final award and the Company shall have the contractual and legal right to close the STL base upon issuance of and compliance with the award, from which there shall be no reconsideration motions considered and notwithstanding any legal challenges to the award.

The interest arbitration panel shall consist of three neutral arbitrators who are members of the National Academy of Arbitrators with Richard Bloch as the principal neutral if he is available and willing to serve. The arbitrators shall decide what non-economic conditions should be provided to TWA Pilots as a result of the loss of flying opportunities due to the termination of Supplement CC and the closing of the STL base, provided that training costs associated with the closure of the base shall be considered non-economic. In no event shall the arbitrators have authority to modify the Pilots' System Seniority List, require the establishment or continuation of any flight operation at any location, or impose material costs beyond training costs on the Company, and any preferential flying rights under the award shall not modify or be deemed a modification of the TWA Pilots' seniority placements on the Pilots' System Seniority List. The Company and APA shall agree to the procedures and standards governing this arbitration.

Case: 4:13-cv-00838-R\ Doc. #: 3-1 Filed: 05/07/13 Pag 407 of 438 PageID #: 875

Assuming he serves as the principal neutral, Richard Bloch shall have continuing jurisdiction to resolve disputes over the implementation and interpretation of the decision by the panel.

The Company also agrees that no pilot base other than STL shall be closed prior to October 1, 2013.

Sincerely,

/signed/

Laura Einspanier
Vice President - Employee Relations

Seen and agreed:

/signed/

Keith Wilson
President
Allied Pilots Association

Date